GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA

UNSTARRED QUESTION NO:1608
ANSWERED ON:03.05.2016
Implementation of Crop Insurance Scheme
Biju Shri Parayamparanbil Kuttappan;Joshi Shri Chandra Prakash

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) whether many hurdles have surfaced in the implementation of crop insurance scheme, if so, the details thereof and the corrective action taken thereon;

(b) whether the Government is aware that some insurance companies are involved in frauds against the farmers in the name of crop insurance across the country;

(c) if so, the details thereof along with the corrective steps taken by the Government in this regard;

(d) whether the Government is considering to make a new law to protect the farmers from these insurance companies; and

(e) if so, the details thereof along with the steps taken by the Government to implement these crop insurances schemes properly in the entire country?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

â€¡Ã£Ã°Å Ã£Ã¤Ã“Ã£ ??? ????? ?????? Â½Ã£Ã¢Â¨Ã£Ã£ÃŠÃ£Â¾Ã£ Â½Ã£Ã±Ã¢ Ã€Ã£â€¢Â¾Ã£ Â½Ã£Ã¢Â¨Ã£Ã£Ã¨ (SHRI MOHANBHAI KUNDARIYA)

(a): Yes, Madam. The major issues identified in the existing crop insurance schemes were high premium rates to be paid by farmers, different premium rates in neighbouring districts, capping on premium resulting in reduction in sum insured and lesser claims for farmers, delay in settlement of claims, less use of improved technologies etc. After detailed discussion with various stakeholder, Government of India has recently approved Pradhan Mantri Fasal Bima Yojana (PMFBY) which replaced the existing schemes of National Agricultural Insurance Scheme (NAIS) & Modified National Agricultural Insurance Scheme (MNAIS) from ensuing Kharif 2016 season. Premium rates under Weather Based Crop Insurance Scheme (WBCIS) have also been reduced and brought at par with PMFBY scheme. Salient features of PMFBY are annexed.

Contdâ€¦2/-

In addition, a Unified Package Insurance Scheme (UPIS) has also been approved for implementation on pilot basis in selected 45 districts of the country from ensuing Kharif 2016 season to cover the other assets/activities like machinery, life, accident, house, student-safety, besides crops of the farmers.

(b) & (c): No, Madam. However, some complaints about non-payment and delayed payment of claims; under payment of claims on account of incorrect/delayed submission of insurance proposals by banks; unrealistic assessment of crop loss due to large unit area of insurance; delay in providing Government share of funds etc., have been received in the past. State Level Coordination Committees on Crop Insurance (SLCCCI) have been overseeing & monitoring the implementation of the scheme.

(d) : No Madam.

(e): In view of (d) above, question of details does not arise. However, Government has taken various steps like regular review of the crop insurance scheme, introduction of a new simplified and easily understandable − Pradhan Mantri Fasal Bima Yojana for farmers and other stakeholders; use of advanced technology including Smartphone app for conduction & transmission of data/information of Crop Cutting Experiments (CCEs), use of Drones for estimation of crop losses, development of crop insurance portal for better administration, coordination and transparency between various stakeholders, special awareness & capacity development programmes etc. for proper implementation of the schemes.